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SECRETARIAT
OF
THE ODISHA LEGISLATIVE ASSEMBLY
NOTIFICATION

The 24th November, 2023

No.7360/L.A.— The following Bill, which has been introduced in the Odisha Legislative Assembly on the 24th November, 2023 is here with published under rule-68 of the Rules of Procedure and Conduct of Business in the Odisha Legislative Assembly for general information

THE ODISHA PANCHAYAT SAMITI (AMENDMENT) BILL, 2023
(BY DR. MUKESH MAHALING, M.L.A.)

A
BILL

FURTHER TO AMEND THE ODISHA
PANCHAYAT SAMITI ACT, 1959

BE it enacted by the Legislature of the State of Odisha in the Seventy third year of the Republic of India, as follows:-

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| Short title,
extent and
commencement | 1. (i) The Act may be called Odisha Panchayat Samiti (Amendment) Act, 2023.
(ii) It shall extend to the whole of the State of Odisha.
(iii) It shall come into force on such date as the Government may by notification, appoint |
| Amendment of
Section 16 | 2. In the Odisha Panchayat Samiti Act, 1959 (hereinafter referred to as the Principal Act), the Clause (b) of Sub-Section (1) of Section 16 shall be substituted, namely:— |

“A candidate shall contest the election to the office of the members of Panchayat Samiti on political party basis duly Authorised and sponsored by concern political party by using only the symbol of that political party and no other symbol and to be elected directly on the basis of adult suffrage from every constituency with in the block in the prescribed manner.” .

Amendment of
Section 20

3.

In the Odisha Panchayat Samiti Act, 1959 after Sub-Section (7) of Section 20 (A), a new Sub-section (8) shall be added as follows:-

“As the Chairman and Vice-Chairman of Panchayat Samiti are public servant and executive Authority of Panchayat Samiti as per provision of Section 52 and Sub-Section (1) of Section 19 of the Principal Act. respectively has no financial accountability for which the Principal Act does not empower the Chairman in Rule 28 of Odisha Panchayat Samiti Accounting Procedure Rule 2002 to sign the cheque for financial transactions of the Panchayat Samiti.

So in exercising the power given under Section 57 of Principal Act empowering the Chairman or in his absence the Vice-Chairman under Rule 16 (1) & (2) of Odisha Panchayat Samiti Accounting Procedure Rule 2002 for signing the bill of Panchayat Samiti amounting to Rupees above Two Lakh shall be withdrawn.”

Amendment of
Section 28

4. (1) In the Odisha Panchayat Samiti Act, 1959 after Sub-Section (3) of Section 28, a new Sub-section (4) shall be added, namely:—

“Every bill or other claim for payment of Panchayat Samiti fund, Block Development Officer-Cum-Chief Executive Officer of Panchayat Samiti shall sign the payment order upto Rupees Ten Lakh within seven days of receipt of the bill.”

- (2) In the Odisha Panchayat Samiti Act, 1959 after Sub-Section (4) of Section 28, a new Sub-section (5) shall be added, namely:—

“Block Development Officer-Cum-Chief Executive Officer of Panchayat Samiti shall be empowered to present the claims / bills of Panchayat Samiti fund exceeding amounting to rupees Ten Lakh for countersignature of Collector of the District within seven days of receipt of the bill.”.

STATEMENT OF OBJECTS & REASONS

Within a decade after adoption of Constitution of India, the Panchayati Raj System has been introduced on 2nd October, 1959. Panchayati Raj is a good admixture of Community Development (CD) and National Extension Service (NES). It was first adopted as per the recommendations of Balavant Rai Meheta Committee. This committee was formed to study the working of community development programme and suggested remedies for removal of defects. The committee felt that India reaches the people through its PANCHAYATS. Therefore the committee submitted its report in 1957. The core-voice of the reports was:—

Democratic Decentralization and three tier system of rural administration as noted below.

- (1) Gram Panchayat at village level.
- (2) Panchayat Samiti at block level.
- (3) Zilla Parishad at District level.

In early Sixties, Ex-Chief Minister of Odisha, Sri Biju Pattnaik took bold steps to champion the cause of Panchayati Raj. So it flourished in Odisha as per Meheta Committee's decision.

The State of Odisha enacted the act (Odisha Act 7 of 1960) making provision for establishment of Panchayat Samities. The Odisha Panchayat Samiti is the middle stages of 3 tier Panchayati Raj System which act as a representative democracy.

The Lok Sabha & Rajya Sabha passed bills incorporating Panchayats into the Constitution on 22nd – 23rd December, 1992 and are gazetted with President's consent on 24th April, 1993. The enactment of Panchayati Raj, therefore has been made irreversible after 73rd Amendment of Constiution. Our challenges today is to institutionalize this system of local self governance to make our country an example of good democracy.

The Panchayati Raj System can only fulfill their responsibilities as institutions of self-government if devolution is patterned on a nexus between 3 'F's namely:-

- (1) Functions
- (2) Functionaries
- (3) Finance

In order to fulfill the objective of Panchayati Raj System and to facilitate the elected person (PRIs) to achieve their mandate for the people who have voted and sent them to do good for the area.

Therefore, there is need of bureaucracy and technocracy at the local government level with elected local bodies. But things are wrong for which PRIs are helpless at most of the places. So function, functionaries, and finance – 3 'F's are to be taken care for the welfare of the people.

The Panchayati Raj in Odisha has not been absolute success. Its functioning all these years has demonstrated numerous shortcomings. Some of the defects of the system are noted below.

1. Undemocratic composition of various Panchayati Raj Institutions

Various Panchayati Raj Institutions are constituted setting aside democratic norms and principles. The indirect election of the members to Panchayat Samiti only increase the possibility of horse trading, corruption and bribery. This negates sound democratic principle.

2. Unscientific distribution of Power & Function

The Panchayati Raj System is defective in so far as the distribution of functions between the structures at different level has not been made along scientific line.

One of the example is that as per provision of Act & Rules framed there the Block Development Officer is responsible & accountable for managemnt of funds.

But on the otherhand although Chairman & Vice-Chairman of Panchayat Samiti are public servant and Executive Authority of Panchayat Samiti as per provision of Section 52 and Sub-Section (1) of Section 19 of the Principal Act respectively and has no financial accountability for which the Principal Act does not empower the

Chairman in Rule 28 of the Odisha Panchayat Samiti Accounting Procedure Rules 2002 to sign the cheque for financial transactoin of the Panchayat Samiti.

So in exercising the power given under Section 57 of Principal Act. empowering the Chairman or in his absence the Vice-Chairman under rule, 16 (1) & 16 (2) of the Odisha Panchayat Samiti Accounting Procedure Rule, 2002 for signing the bill of Pancyhayat Samiti amounting to rupees above two lakhs shall be withdrawn as because in Indian democracy none of the peoples representative like MPs / MLAs / ZP President being public servant are not emowered for any financial tranction and are in no way financially accountable. Hence, the financial power given to Chairman, Panchayat Samiti for signing the bill or claim of Pancayat Samiti fund for pass for payment of Panchayat Samiti fund is not justified as it causes unnecessary delay process for timely completion of developmental work.

Therefore it is proposed to amend the Principal Act.

(DR. MUKESH MAHALING)

MEMBER-IN-CHARGE

DASHARATHI SATAPATHY

OSD-CUM-SECRETARY

ODISHA LEGISLATIVE ASSEMBLY